



Ninety-Ninth Legislature - First Session - 2005
Committee Statement
LB 139

Hearing Date: January 21, 2005
Committee On: Natural Resources

Introducer(s): (Schrock)
Title: Authorize hydrogen production, storage, and use by public power districts

Roll Call Vote – Final Committee Action:

X Advanced to General File
 Advanced to General File with Amendments
 Indefinitely Postponed

Vote Results:

7	Yes	Senators Hudkins, Kopplin, Kremer, Louden, McDonald, Schrock, Stuhr
0	No	
	Present, not voting	
1	Absent	Senator Smith

Proponents:

Jody Gittins
Joe Citta

Representing:

Introducer
Nebraska Public Power District

Opponents:

None

Representing:

Neutral:

None

Representing:

Summary of purpose and/or changes:

The purpose of LB 139 is to allow all public power generators and owners of transmission lines to engage in the production, storage and/or distribution of hydrogen. It changes all of the public power statutes so that the production, storage and/or distribution of hydrogen are permitted.

Section 1	Allows a public power district, corporation, or municipality that engages in the production, storage, or distribution of hydrogen to acquire right-of-way for infrastructure.
Section 2	Redefines power and plant to include hydrogen production, storage, and distribution.

Section 3	Recognizes hydrogen production and distribution will be in demand in the marketplace for fuel processes. Recognizes the public power industry is experienced in the production and transmission of electrical power. Recognizes the public power industry could use its experience in the development of the production, storage, and distribution of hydrogen for use in fuel processes and to enhance the well being of the state.
Section 4	Amends the petition process to recognize hydrogen use.
Section 5	Defines operating area of a district to include hydrogen use.
Section 6	Defines operations of a district to include authorization of hydrogen production, storage, and distribution.
Section 7	Defines how an interest in a facility shall be held to include authorization of hydrogen use.
Section 8	Recognizes hydrogen use in the joint exercise of powers with municipalities and public agencies.
Section 9	Recognizes hydrogen use in the joint exercise of powers with electric cooperatives or corporations.
Section 10	Allows joint participation between districts to build facilities to allow for the production, storage, or distribution of hydrogen.
Section 11	Allows districts to finance hydrogen production projects.
Section 12	Allows districts to pledge the hydrogen produced for use in fuel processes for bonded indebtedness.
Section 13	Clarifies district rates recognizing hydrogen use.
Section 14	Clarifies a hydrogen project must have an engineer's certificate and if a project is larger than one hundred thousand dollars a sealed bid is required.
Section 15	Adds hydrogen to the exceptions that no public power property will come under the control of a private person, firm, or corporation in the business of generating, transmitting, or distributing electricity for profit.
Section 16	Authorizes the board of directors to establish rates for hydrogen.
Section 17	Provides that all hydrogen production, storage, or distribution systems are works of internal improvements and are subject to all laws applicable thereto.
Section 18	Redefines electric utility to include hydrogen use by rural power districts.

- Section 19 Redefines project to include hydrogen use under the Joint Public Power Authority Act.
- Section 20 Legislatively recognizes certain public power districts have the resources and ability to facilitate the development of a hydrogen production and distribution industry.
- Section 21 Authorizes a public power district to plan, finance, develop, acquire, purchase, construct, reconstruct, improve, enlarge, own, operate, and maintain an undivided interest as a tenant in common in a project situated within or without the state jointly with one or more public power districts for hydrogen production, storage, or distribution facilities.
- Section 22 Authorizes a joint authority to produce, store, deliver, or distribute hydrogen for use in fuel processes.
- Section 23 Provides that the limitations set for excess capacity or output of joint authority projects do not apply to the sale of hydrogen.
- Section 24 Authorizes the board of directors of a joint authority to pledge revenue from hydrogen production, storage, or distribution facilities that was financed by bonds.
- Section 25 Clarifies the process directors of a joint authority are to use to set rates for hydrogen.
- Section 26 Severability clause.
- Section 27 Repealer clause.
- Section 28 Emergency clause.

Explanation of amendments, if any:

None

Senator Ed Schrock, Chairperson